



**U.S. Department of Labor  
Employment and Training Administration**

# **FY 2015 President's Budget Request**

**Eric M. Seleznow, Acting Assistant Secretary  
Agency Rollout Presentation  
March 2014**



# Where Are We Now?

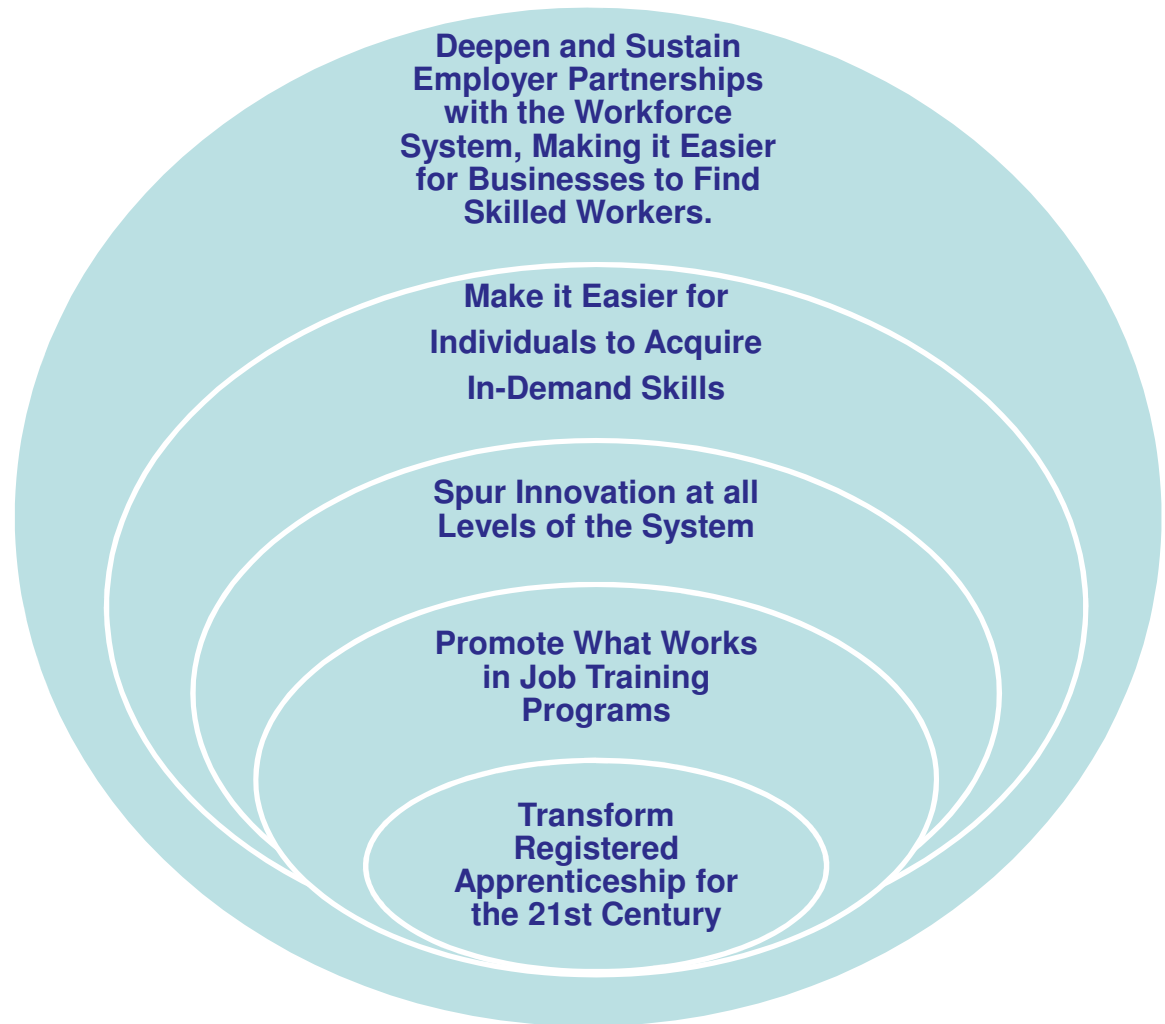
## February 2014

- 47 straight months of private sector job growth
  - which added 8.5 million jobs to the American economy
- Total unemployment rate of 6.6%
  - lowest level in more than five years
  - still recovering from the Great Recession
- In January 2014, there were 10.2 million unemployed
  - 4.3 million are long-term unemployed (42.2% of the unemployed persons)
  - 2.6 million attached to the labor force
  - 837,000 discouraged workers



# JOB-DRIVEN WORKFORCE SOLUTIONS

- Helping Job Seekers Compete in Today's Labor Market by Increasing Industry-Recognized Credential Attainment
- Deploy Effective Strategies that Accelerate Reemployment of Job Seekers in In-Demand Industries
- Implement Job-Driven Workforce Solutions that Help Businesses Grow





# Opportunity, Growth, and Security Initiative

- **\$1.0 B for the Community College Job-Driven Training Fund**
  - Support industry-education partnerships to develop and disseminate common credentials and skills assessments
  - Expand and improve upon TAACCCT grants
- **\$500.0 M for an Apprenticeship Training Fund**
  - Formula grants to increase the number of Registered Apprenticeships through expansion within a state
  - Competitive grants to foster partnerships to scale models and additional opportunities in innovative fields



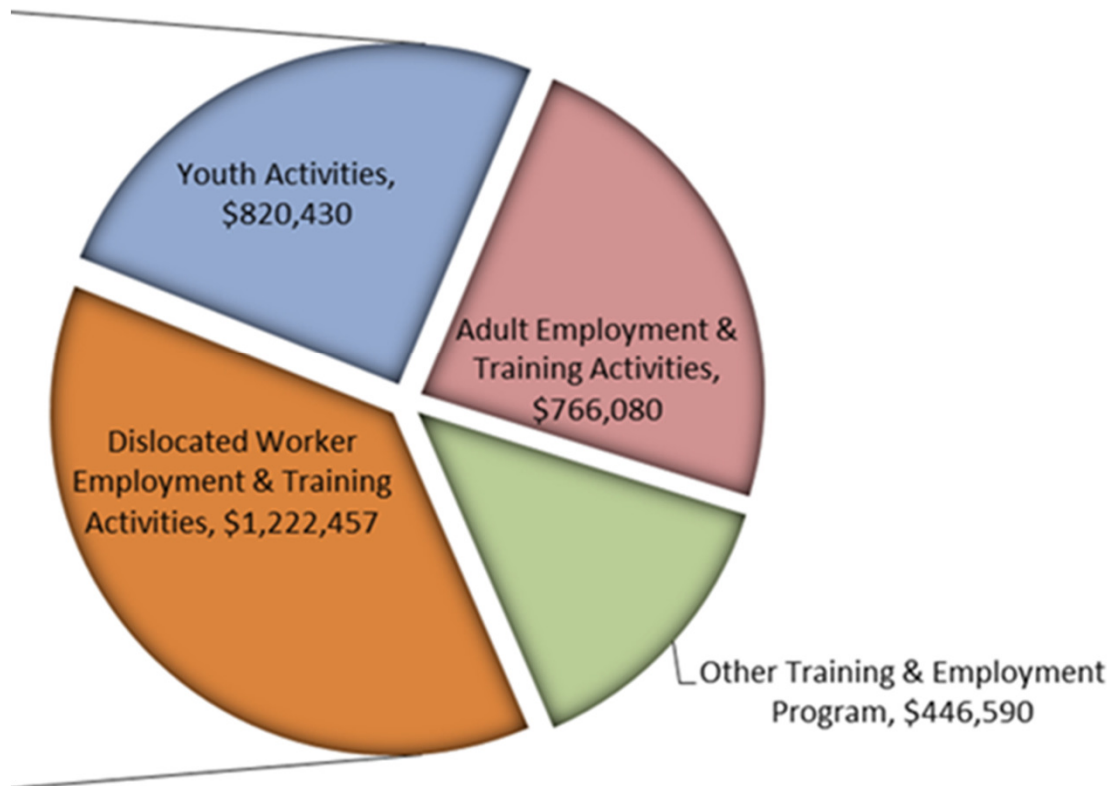
# Opportunity, Growth, and Security Initiative

- **\$750.0 M Investment**
  - to restore prior cuts in job training and employment services grants
  - provide incentives
  - assist targeted populations
  
- **\$100.0 M State Paid Leave Fund**
  - expand adoption of state paid leave programs and evaluate the programs to better inform program implementation moving forward
  - support the development of an implementation plan
  - implement a state-wide program or to work with employers to implement employer-based paid leave programs



# WIA Formula Programs

- \$766.1 M for WIA Adult Program
- \$1,222.5 M for WIA Dislocated Worker Program
- \$820.4 M for WIA Youth Program





# Job-Driven Training for Youth and the Long-Term Unemployed

- \$2.0 B for Bridge to Work – innovative reemployment initiatives and reforms focused on the Long-Term Unemployed (LTU)
- \$4.0 B for Back to Work Partnerships – competitive grants for partnerships to provide work-based experiences for the LTU that lead to employment
- \$2.5 B for Summer Jobs Plus – subsidized summer/year-round employment opportunities for low-income youth, and competitive grants for promising/innovative strategies to improve outcomes



# New Career Pathways (NCP)

- Merges the best parts of the TAA & WIA DW programs that serve overlapping populations into one program.
- Streamlines access to services, treating all displaced workers equally regardless of the reason they lost their jobs, & provides more services to workers overall.
- Serves all displaced workers who need & want help with high quality reemployment services & offers generous training vouchers to many participants.
- Emphasizes early intervention, reemployment services, & case management as well as job search & relocation allowances to speed displaced workers return to work.



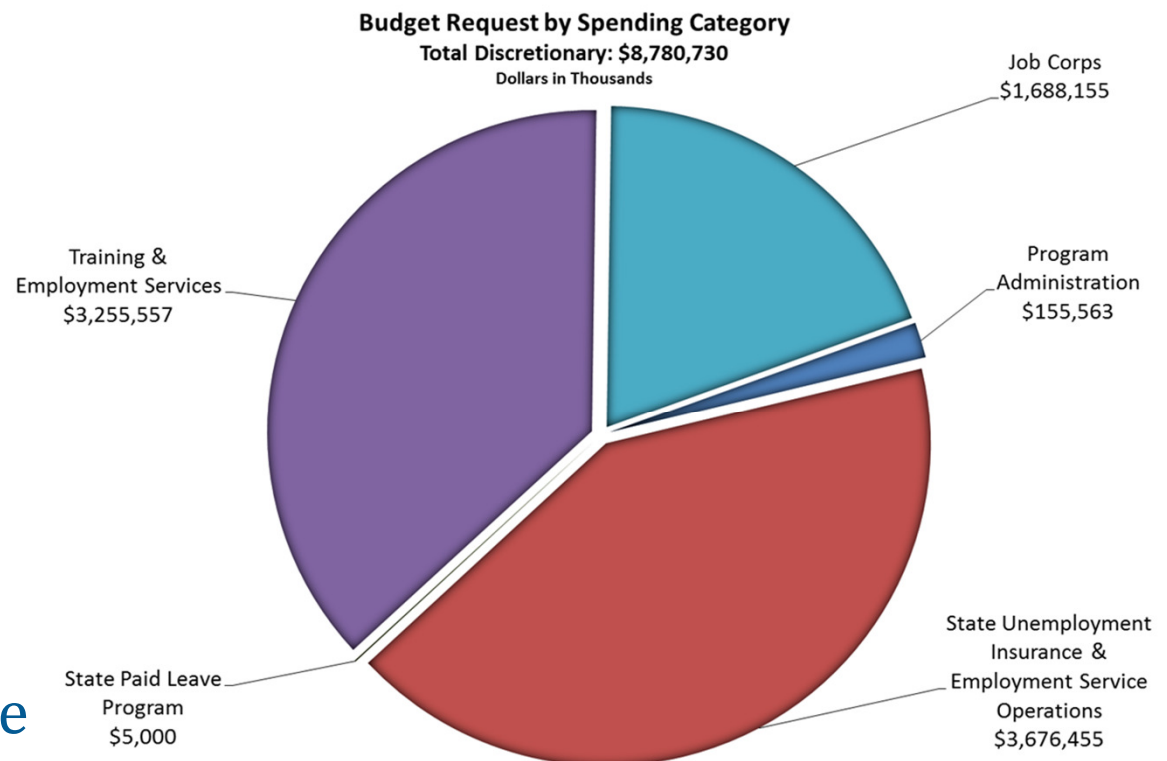
# **Reemployment and Eligibility Assessments and Reemployment Services**

- \$157.7 M is requested for REA/RES
- Pairs UI eligibility assessments with reemployment services demonstrated to help job-seekers return to work faster



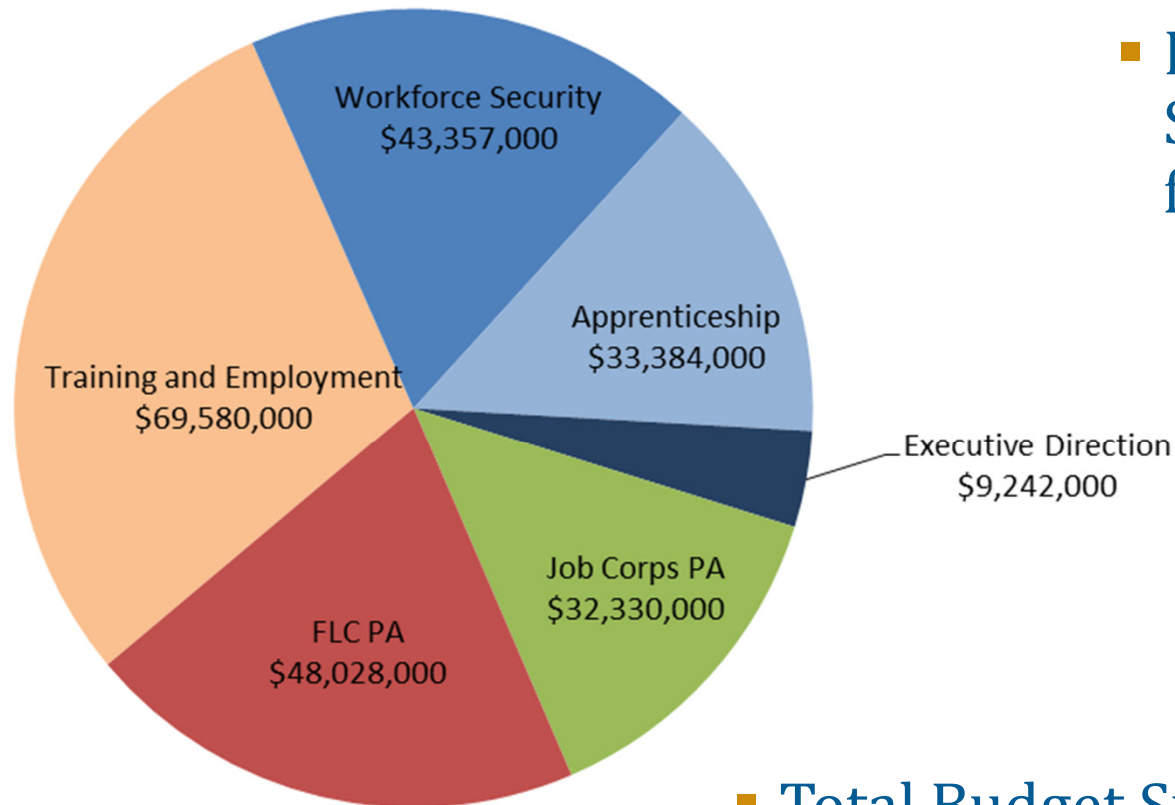
# ETA FY 2015 Budget Request

- FY 2015 Budget Request of \$9.5 B includes:
  - \$8.8 B for discretionary programs
  - \$710.6 M for Federal Unemployment Benefits and Allowances (FUBA)
- Represents a decrease of \$284.9 M from the FY 2014 enacted level





# Administrative Funding

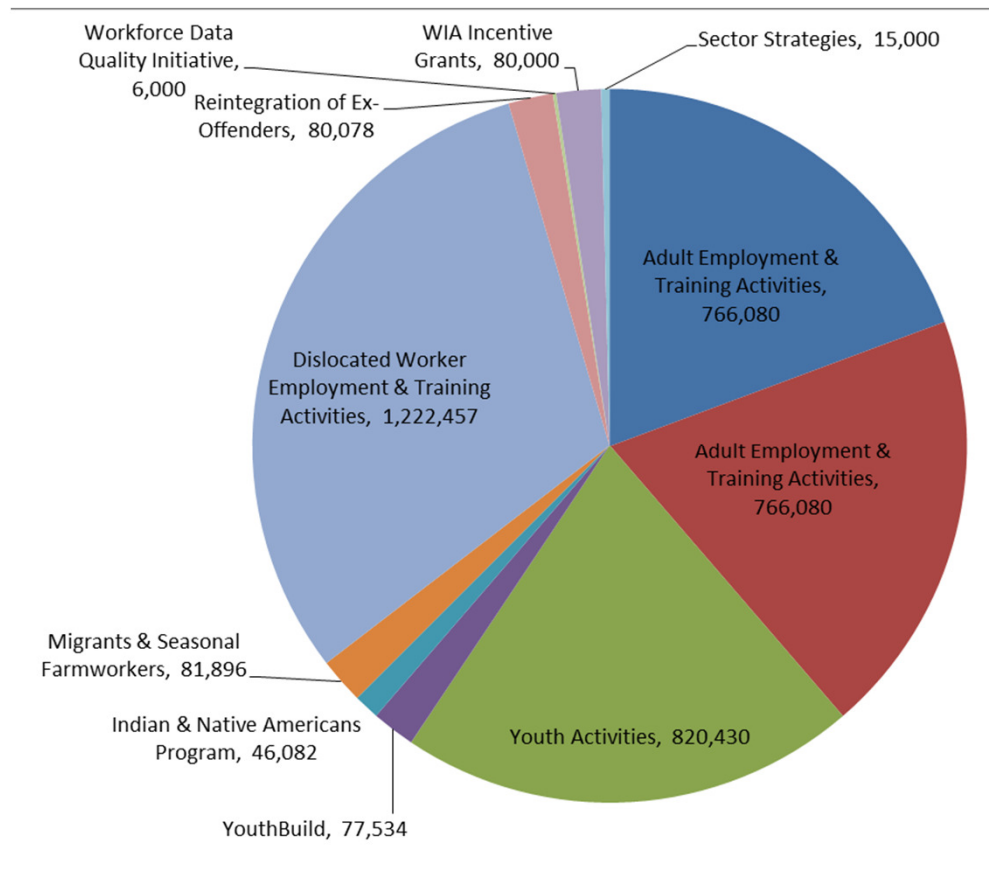


- ETA's priority for Salary and Expense funds
  - Invest in federal staff to provide oversight and Technical Assistance necessary
  - National framework to establish consistency & quality across pre-apprenticeship programs.

- Total Budget Supports 1,137 FTE
  - 781 FTE for PA
  - 188 FTE for Fed Admin of OFLC
  - 168 FTE for PA in OJC



# Training and Employment Service (TES)



- Total increase of \$106.7 M over the FY 2014 enacted level (\$3,148.9 M).
- Maintains the increase of the State Reserve provided in FY 2014 from 5% to 8.75%.
- Increase of \$12.7 M for the Workforce Innovation Fund (\$60 M)
- \$80.0 M for WIA Incentive Grants
- \$15.0 M for Sector Strategies
- Propose the elimination of the Women in Apprenticeship & Non-Traditional Occupations (WANTO) program



# Sector Strategies

- \$15.0 M for competitive grants to states and regions
- Grants will support the development and implementation of sector strategies
- Sector strategies are designed to
  - Reduce employer recruitment and turnover costs
  - Increase job placement
  - Decrease poverty
  - Provide career advancement opportunities for low-wage, low-skilled workers



# WIA Incentive Grants

- \$80.0 M for incentive grants to states and tribal entities that best align their workforce, education, and social service systems to improve outcomes for all individuals
- Awards will be based on the improved levels of performance achieved for targeted populations compared to the preceding program year or years



# **State Unemployment Insurance and Employment Service Operations (SUIESO)**

**\$3,676.5 M**

## **Unemployment Insurance: \$2,870 M**

- \$2,697.8 M for State Administration
- \$14.5 M for UI National Activities
- \$157.7 M for Reemployment and Eligibility Assessments and Reemployment Services

## **Employment Service: \$684 M**

- \$664.2 M for Grants to States
- \$19.8 M for national activities



## **SUIESO cont.**

### **Foreign Labor Certification: \$62.3 M**

- \$48.0 M for Program Administration
- \$14.3 M for State Grants

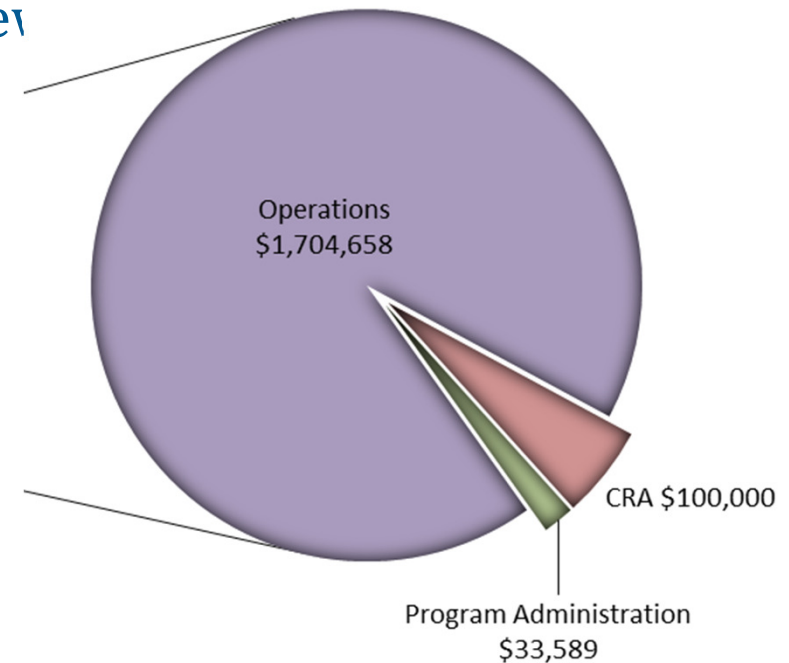
### **Workforce Information/Electronic Tools/System Building: \$60.2 M**

- \$31.9 M for Workforce Information Grants to States
- \$18.4 M for operation & maintenance of National Electronic Tools, System support & accountability
- \$9.8 M for Disability Employment Initiative



# Job Corps \$1,688.2 M

- Operations – \$1,580.8 M, including New Center Operations at Wyoming and New Hampshire
- Construction – \$75.0 M to enhance existing facilities, modernize career technical training labs, & provide vital repairs & renovations addressing life-safety & health deficiencies
- Administration – \$32.3 M to support an FTE level of 168





# Evaluation Set-Aside

- Continues a set-aside funding mechanism to finance evaluations & applied research for employment & training programs
- Activities will be conducted by ETA in coordination with the Department's Chief Evaluation Officer
- Support five key areas or themes:
  1. Understanding evolving labor markets
  2. Identifying effective strategies
  3. Improving workforce system infrastructure
  4. Using state-level administrative data to measure progress & outcomes
  5. Focusing on post-secondary education & training



# Federal Unemployment Benefits and Allowances (FUBA)

- \$710.6 M
- This budget assumes the TAA program will continue operations under current law beyond December 31, 2014, unless one of the following actions occurs:
  - the New Career Pathways (NCP) program, proposed in this Budget is enacted or
  - the TAA program is reauthorized beyond the statutory expiration date of December 31, 2014



# Trade Adjustment Assistance (TAA) Community College and Career Training

- In FY 2015, the Department does not propose reauthorization for the TAACCCT grant program
- The Department will continue to support the efforts of the program with the new Opportunity, Growth, and Security Initiative
- Authorized by Division B of the American Recovery & Reinvestment Act of 2009
- Funded through a mandatory appropriation in the Health Care & Education Reconciliation Act of 2010 at \$500,000,000 annually in Fiscal Years 2011–2014 for competitive grants to community college, & other institutions of higher education



# Community Service Employment for Older Workers (CSEOA)

- Known as the Senior Community Service Employment Program (SCSEP)
- Propose transfer SCSEP to the Administration on Community Living (ACL) in the HHS
- ACL focuses on providing aging services designed to help elderly individuals maintain their health & independence in their homes & communities



# State Paid Leave Fund

- \$5.0 M for the State Paid Leave Fund (SPLF)
- The SPLF provides grants to states to assist in planning & start-up activities relating to state family paid leave programs



# Legislative Proposals



# SUIESO

- SUIESO Proposals to speed reemployment of the long-term unemployed, improve program integrity, improve the solvency of state trust funds, and enable states to more effectively prevent, detect, and recover improper payments.
  - REA/RES program
  - State Information Data Exchange System
  - Social Security Disability Insurance
  - Prisoner Update Processing system
  - Unemployment Insurance Solvency



# WIA Reauthorization

- Engaging with employers on a regional and/or sectoral basis
- Streamlining service delivery
- Providing one-stop easily accessible shopping for high quality services
- Improving accountability
- Promoting innovation & identifying & replicating best practices

# Questions?

